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FM AMEMBASSY SARAJEVO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 5914
INFO RUEKJCS/JCS WASHINGTON DC IMMEDIATE
RUEKJCS/SECDEF WASHDC IMMEDIATE
RHEFDIA/DIA WASHINGTON DC IMMEDIATE
RUEHNO/USMISSION USNATO IMMEDIATE 0127
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SECDEF FOR FATA AND BEIN, BERLIN FOR A/S FRIED, DEPT FOR EUR (DICARLO), D (SMITH), P (BAME), EUR/SCE (HOH, SAINZ, FOOKS), AND EUR/RPM (BROTZEN), NSC FOR BRAUN, USNIC FOR WIGHTMAN AND MCLANE, USNATO FOR REID, UNDERWOOD, SHAFFER

E.O. 12958: DECL: 04/17/2017

TAGS: PGOV PREL MARR BK

SUBJECT: BOSNIA: BUGOJNO INDICTMENTS TIMED TO DERAIL

INCOMING DEFENSE MINISTER?

REF: SARAJEVO 60

Classified By: Deputy Chief of Mission Judith Cefkin for reasons 1.4 (b) and (d)

- ¶1. (C) On April 16, the State Investigation and Protection Agency (SIPA) arrested two individuals on orders from the State Prosecutor over their alleged involvement in the disappearance of Bosnian-Croats in the Central Bosnian town of Bugojno in 1993. The arrests of the two individuals, former Bugojno police chief Senad Dautovic and former military commander Enes Handzic, follow the detention several weeks prior of two other former military officers accused of complicity in the matter. The arrests have raised concerns that the real target of the renewed probe of the long dormant Bugojno matter is incoming Defense Minister Selmo Cikotic, who is to assume office at the end of the week.
- $\P 2.$  (C) Accusations against Cikotic, who was the commander the Bosniak Army of BiH units serving in the Bugojno area in 1993, have swirled for almost a decade. In each instance when the matter has been raised, Cikotic has been exonerated. In 1997, Cikotic, who was then serving as Bosnian Defense Attache in Washington, was barred from attending a USGsponsored training program over the accusations, which the USG later determined to be unfounded. In 2004, COMSFOR blocked the appointment of Cikotic as the first Chairman of the Joint Staff of the new joint Armed Forces of Bosnia and Herzegovina and ordered his retirement from service due largely to the Bugojno allegations. An exhaustive subsequent examination of the case by NATO HQ, which included an in depth review of ICTY and cantonal records, led to a full exoneration of Cikotic. Earlier this year, when Party for Democratic Action President Sulejman Tihic floated the idea of nominating Cikotic for the defense ministry portfolio, the USG and NATO HQ undertook a further through review of available evidence and found no reason to object to the appointment (see reftel).
- 13. (C) We followed up with Sefko Halilovic, the Chief of SIPA's War Crimes Department, on the status of the case. Halilovic told us that the prosecutor had issued arrest warrants for Dautovic, Handzic, Cikotic, and former Bugojno Mayor Dzevad Mlaco. Yesterday, before executing the warrants, the prosecutor instructed Halilovic to only arrest Dautovic and Handzic and search the home of Mlaco.

Haliliovic said that he could not speculate as to whether he would be instructed to execute the warrant on Cikotic at a later date, but it was a distinct possibility in the coming weeks.

- 14. (C) We also met with Cikotic himself on April 17 to discuss the developments. Cikotic again directly asserted his innocence of either "direct or practical" responsibility in the Bugojno matter, but did provide a caveat that unspecified "new evidence" might indicate that some uniformed military personnel could have been involved in the affair. Cikotic said that he was not aware of a larger conspiracy against him, and believed that State Prosecutor Marinko Jurcevic, a Bosnian-Croat, was acting on his own. Cikotic speculated that Jurcevic was trying to settle an old political score with Cikotic's political backer, Tihic, who had sought to block Jurcevic's appointment when he served on the Tri-Presidency. Anticipating that "the final outcome will be good," Cikotic said that if the legal, not political, process is followed, he will again be fully exonerated. Cikotic noted that Jurcevic had yet to question him in the matter, another sign that the case was not substantive.
- 15. (C) Comment. Considering that the Bugojno matter had basically been a cold case for years, the prosecutor's recent renewed focus on it after Cikotic's appointment gives some credence to speculation that an attempt to derail Cikotic's appointment is in the works. Assuming that there is no new evidence regarding Cikotic's complicity in or command responsibility for the events in Bugojno, there certainly are questions as to what is driving this process. Our discussions with senior Bosnian-Croat leaders, including HDZ's Dragan Covic and HDZ 1990's Martin Ragus, suggest that they have not directed the prosecutor to reopen the Bugojno

case or that they have any political desire to scuttle Cikotic's appointment. In this light, Cikotic's assertion that Jurcevic is acting alone seems to be credible, though what motivates him to pursue the case now is unclear. We will continue to closely follow any developments in the case. End comment.

MCELHANEY